

ILLINOIS VALLEY ENTERPRISE ZONE
613 WEST MARQUETTE ST. OTTAWA, ILLINOIS 61350
PHONE: 815/433-5830 FAX: 815/433-5832

Friday, October 5, 2012

The communities of LaSalle, North Utica, Oglesby, and Peru and portions of LaSalle County have been designated as an Enterprise Zone by the State of Illinois. This designation is effective as of July 1, 1986. This means that your business may be able to take advantage of Zone incentives including the following:

1. A portion of property tax abatements on real property improvements for those taxing districts that abate (i.e., new construction as well as renovation and rehabilitation requiring a building permit; does not apply to residential projects).
2. A local sales tax deduction of 1 1/4% and a state sales tax deduction of 5% on building materials used for real property construction, rehabilitation and renovation within the Zone.
3. Other Zone incentives including a 0.5% income tax credit for investments in "qualified" equipment and real property, Zone targeted financing and training funds and job tax credits for new hires.

A preliminary review of our files and other information indicate that your business is located or intends to locate within the Zone and is interested in taking advantage of local Zone benefits. In this regard, please find attached the following:

1. Zone description sheet
2. Application procedure summary sheet; Procedures to receive Zone benefits
3. Commercial/industrial application forms

Please provide information on your proposed project by typing all of Part I as well as "A" and "B" of Part II on the commercial/industrial application form. Include a copy of the project parcel's property tax bill. If you are purchasing the parcel, please include the previous owner's property tax bill, a legal description of the parcel purchased and the parcel purchase price.

There is a **\$250.00** zone benefit application fee and **\$100.00** per contractor certificate that must be paid to **North Central Illinois Council of Governments, Zone Administrator** when submitting an application for enterprise zone benefit.

Please include an independent contractor cost estimate on any proposed building construction or renovation. After completing, please submit these forms to me at the address shown above.

If you have any questions, please do not hesitate to call me at 815/433-5830.

Sincerely,

Benjamin Wilson

LASALLE, NORTH UTICA, OGLESBY, PERU, LASALLE COUNTY

ILLINOIS VALLEY ENTERPRISE ZONE DESCRIPTION

On July 1, 1986, the Governor designated a ten (10) square mile area in LaSalle County as an Enterprise Zone. Under the State of Illinois program, businesses located or which locate in the zone can receive substantial incentives, including the following:

1. A portion of property tax will can be abated for firms which undertake new construction, renovation and rehabilitation (real property improvements which require a building permit).
2. A local sales tax deduction of 1 1/4% and a state sales tax deduction of 5% on construction materials used for zone located real property improvements.
3. A .5% investment tax credit for investments in qualified property.
4. Targeted project financing/training programs.
5. Other local incentives as allowed, including building permit and other fee waivers.

The property tax abatement alone can save a business from \$36,000 to \$40,000 on a \$200,000 new building construction project.

The Illinois Valley Enterprise Zone covers portions of LaSalle, North Utica, Oglesby, Peru, and surrounding areas in LaSalle County.

ILLINOIS VALLEY ENTERPRISE ZONE
APPLICATION PROCEDURE SUMMARY FOR BUSINESSES

To qualify for Illinois Valley Enterprise Zone incentives, an industrial or commercial firm must be located or be willing to locate in the Zone. Firms interested in the property tax abatement and sales tax deduction Zone incentives should pursue the following procedures:

1. Contact the Zone Administrator on your project. For the Illinois Valley Enterprise Zone, the Zone Administrator is:

Benjamin Wilson, Zone Administrator
Illinois Valley Enterprise Zone
613 W. Marquette Street
Ottawa, IL 61356
815/433-5830

2. If real property improvements are to be undertaken, make sure the parcel on which real property improvements are proposed is properly zoned for such improvements.
3. Return IVEZ forms and a copy of the latest project parcel property tax bill to the Zone Administrator. If you are purchasing the parcel, please include the previous owners property tax bill, a legal description of the parcel purchased, and the parcel purchase price. Also, please include an independent contractor's estimate on any proposed building construction or renovation. The Zone Administrator will contact you, in writing, if all the forms are in order or if any other information is needed.
4. Apply for building and other permits from LaSalle, North Utica, Oglesby, Peru, and LaSalle County, as appropriate. The building permit, once approved, should be forwarded to the Zone Administrator.
5. The Zone Administrator will check to see that all necessary information is in order. If it is, the project will be certified. The business then picks up the building and other related permits as well as appropriate Enterprise Zone forms and the project can begin.
6. Property tax abatements are only available on commercial and industrial projects.
7. There is a **\$250.00** zone benefit application fee and **\$100.00** per contractor certificates that must be paid to **North Central Illinois Council of Governments** when submitting an application for enterprise zone benefit.

PLEASE READ

ILLINOIS VALLEY ENTERPRISE ZONE
PROCEDURE FOR ELIGIBLE BUSINESSES TO RECEIVE
ENTERPRISE ZONE LOCAL PROPERTY TAX ABATEMENT BENEFITS
AND
LOCAL SALES TAX DEDUCTIONS ON CONSTRUCTION MATERIALS

1. **COMMERCIAL/INDUSTRIAL FORM**

To initiate the procedure for the capture of tax abatement and sales tax relief on Enterprise Zone projects, the following forms shall be completed (copy attached):

2. **BUILDING PERMIT**

A building permit shall be obtained from the LaSalle, North Utica, Oglesby, Peru, and LaSalle County, as appropriate, with the following information typed upon the building permit:

ILLINOIS VALLEY ENTERPRISE ZONE PROJECT

Address/Location

Authorized Signature(s)
Building Inspector(s)

City/Village of _____
Street Address
City, State, Zip

After receipt of the building permit the Commercial/Industrial Information forms will be reviewed and approved by the Zone Administrator. A Purchaser's Statement for Sales Tax Deduction will then be forwarded to the business to be used to purchase building supplies.

3. **TAX ABATEMENT**

The Commercial/Industrial Information form, after review and approval by the Zone Administrator, will be distributed as follows by the Zone Administrator based on the location of the project:

* 1 copy Supervisor of Assessments - LaSalle County

* 1 copy County Clerk - LaSalle County

* = copies distributed early March after project has been completed, 1 copy
also goes to the County Treasurer

4. PURCHASE OF CONSTRUCTION MATERIALS

To obtain sales tax relief on construction materials used in Enterprise Zone projects, the materials may be purchased from any retailer located in Illinois.

A Purchaser's Statement **MUST** be completed by the buyer of materials and furnished to the retailer at the time materials are purchased.

The following documents are to be retained by the retailer/seller of the merchandise:

Copy of the Purchaser's Statement

Copy of Invoice (the Invoice must show the amount of the sales tax deduction)

NOTE: The Illinois Department of Revenue has sent to all appropriate retailers detailed information on this requirement.

DATE: _____

COMMERCIAL/INDUSTRIAL INFORMATION

PART I - PROJECT INFORMATION

A. Name of Business: _____ FEIN # _____

B. Street Address: _____ UIN# _____

C. Location of Proposed Project: LaSalle: _____ North Utica: _____ Oglesby: _____

Peru: _____ LaSalle County: _____

D. Name of Business/Company (if different from applicant):

E. Street Address of Proposed Project:

F. Boundaries of Proposed Project Area: Attach legal description of property if available, or provide general description using streets, alleys, railroads, or other such features. Be sure to include any existing facilities which are to be incorporated into the project. Indicate the property's current zoning classification.

G. Description of Proposed Project: Provide a detailed description of the proposed project including the nature of improvements relating to any rehab/remodeling of existing structures, new construction, major paving, or new equipment. Use an additional sheet if necessary.

H. Expected Date of Project Start: _____

Project Completion: _____

I. Estimated Cost of Improvements:

Cost of Land: _____

Rehab/Remodeling: _____

New Construction: _____

Capital/Equipment: _____

Estimated Cost of Building Materials: _____

J. # of Full-Time Equivalent Jobs (FTE):

1. Presently at project location: _____
2. Retained *: _____
3. Created ** within 2 years of project completion: _____

K. Does this project involve a move from another location?

Yes _____ No _____. If YES, indicate address, city and state:

L. Signature of Project Representative: _____

Signature

Print Name

Date

Title: _____ Phone #: _____

* Retained - # of FTE (minimum 1750 hours per year) jobs that are preserved at a specific facility or site, the continuance of which is threatened by a specific and demonstrable threat, which must be specified.

** Created - # of FTE (minimum 1820 hours per year) jobs for which persons will be hired within 2 years as a result of the new investment. (Not including construction jobs)

PART II GENERAL PROJECT INFORMATION

A. Property Tax ID # _____ (ATTACH LATEST PROPERTY TAX BILL*)

B. Classification of Project: Commercial _____ Industrial _____ Residential _____

C. Building Permit #: _____ (must include copy of permit)

D. Date Building Permit Issued: _____

NOTE: Please provide maps, cost estimates or any other information that you feel may be pertinent to the project. Large size drawings are not required.

PART III - ESTIMATED TAX ABATEMENT - TO BE COMPLETED BY EZ ADMINISTRATOR:

A. EAV of Project Site at Time of Permit Issue:

Land: _____

Improvements: _____

Total: _____

B. Estimated EAV of Project Site following Project Improvements:

Land: _____

Improvements: _____

Total: _____

C. Tax Rate Currently Eligible for Abatement: _____/\$100 EAV

D. Estimated Tax Abatement/First Year: \$ _____

E. Estimated Total Tax Abatement/10 Years: \$ _____

F. Date Tax Abatement Ordered _____

* If the projects parcel and improvements are being purchased as part of the project, please include the previous owners property tax bill, a legal description of the parcel purchased, and the purchase price.

PART IV - VERIFICATION OF ACTUAL TAX ABATEMENT - TO BE COMPLETED BY EZ ADMINISTRATOR

A. Actual Increase in EAV: _____

B. Tax Rate Abated/\$100 EAV: _____

C. Actual Taxes Abated/First Year: \$ _____

TAX YEAR	TAX RATE	ACTUAL TAXES ABATED
20 _____	_____	_____
20 _____	_____	_____
20 _____	_____	_____
20 _____	_____	_____
20 _____	_____	_____
20 _____	_____	_____
20 _____	_____	_____
20 _____	_____	_____
20 _____	_____	_____
20 _____	_____	_____

Estimated Total Tax Abatement/10 Years: \$ _____

Date Tax Abatement Ordered: _____